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News Summary

Articles on inside pages

Philosophers should pay greater attention to the Holocaust, according to a speaker at the annual meeting of the American Philosophical Association. Story on Page 5.

Historians must make some moral judgments in writing about the past, scholars at the annual meeting of the American Historical Association agreed. Story on Page 10.

College leaders are looking to the Senate for a tax-reform bill more to their liking than the measure passed by the House of Representatives. Story on Page 15.

University endowments grew by 25.4 per cent in fiscal 1985, according to the preliminary findings of a new study. Story on Page 23.

The Ford Foundation will award $4.75-million in grants over the next two years to improve undergraduate education. Story on Page 24.

A group of woman faculty members and the University of Rhode Island have reached a $1.24-million settlement in a sex-discrimination case. Story on Page 25.

A proposal to allow athletes to play college sports for five years will come before the N.C.A.A. convention next week. Story on Page 29.

The only public university in Uruguay has regained full autonomy after 12 years of control by the military regime. Story on Page 33.

Israel's Cabinet will investigate Brigham Young University's controversial center in Jerusalem. Story on Page 33.

The resignation of the British government's university liaison officer is the first sign of a split in the Conservative Party over higher-education policy. Story on Page 33.

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1985's 'Unparalleled' Protests by Students in South Africa Likely to Persist this Year

By HELEN ZILLE

CAPE TOWN

South African students have little hope that 1986 will provide an easier passage than 1985—one of the most traumatic years in the history of education in their country.

Radical black students are already calling 1986 "the year of no schooling" and are pushing a controversial plan to extend and expand the high-school boycotts that paralyzed education in some parts of the country during 1985.

White students, especially those at Afrikaans-language universities that traditionally have supported the policies of the ruling National Party, face their own personal crises over the prospect of continuing confrontation.

"For the first time, many students and whites in general are beginning to realize that an exclusively white government is not acceptable to South Africa," says Philip Verster, chairman of the Student Representative Council at the Afrikaans-language University of Stellenbosch. "If you live for decades without realizing this and then suddenly you find out that you have ignored an important facet of your society, it is a crisis for you."

Black students in South Africa have been urged to abandon their high-school boycotts. Story on Page 35.

Mr. Verster was one of eight Stellenbosch students who had their passports withdrawn by the government during a recent political furor over their planned visit to Lusaka, Zambia, to hold talks with leaders of the banned African National Congress.

Although he says he still supports the National Party, Mr. Verster insists on his right to criticize party policy. He outspokenly rejects apartheid—an indication of a major shift from the traditionally cautious and subservient role of Afrikaans student leaders.

Changes in the views of white students, especially Afrikaners like Mr. Verster, have gone largely unnoticed, as the focus has continued to fall squarely on the increasingly radical and militant black high-school students.

Those students are urging a continuation of class boycotts throughout 1986 to mark the 10th anniversary of the Soweto uprising of 1976, which began when police fired on students staging an

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Wary of New Cuts, U.S. Agencies Defer College Spending

By KIM McDONALD

WASHINGTON

Many federal agencies, uncertain about the spending cuts they must make in fiscal 1986 to comply with the deficit-reduction act that President Reagan recently signed into law, have begun slowing their expenditures and holding up contract and grant awards to universities.

"Since we don't know if it's going to be a 2-per-cent, 4-per-cent, or 5-per-cent cut, the uncertainty is a very serious concern," said a budget officer for the National Science Foundation, which spends three-fourths of its annual appropriations on university activities.

"I've been in government a long time, and I've never seen a situation as bad as this."

Under the measure commonly known as

Continued on Page 16, Column 1

Decline in Enrollment of Blacks Seen Unless States Start New Programs

ATLANTA

There will be fewer black students in college in 1990 than today unless state leaders start new programs to increase the preparedness of black high-school students for postsecondary education, according to the Southern Regional Education Board.

Following a 246-per-cent increase in the enrollment of black college students nationwide from 1967 to 1976, the increase from 1976 to 1982 was only 6.1 per cent and has since reached "a virtual standstill," the board said in a report released here.

Slowdown in Computer Majors

Many campus officials are pleased that the explosive growth in the number of computer-science majors has slowed. See story on Page 27.

The decline in enrollment increases among blacks was not because their enrollment rates had reached those of white students, the report noted. In 1982, 75 per cent of white 18- and 19-year-olds were high-school graduates, compared to 58 per cent for black people of the same age.

Gap Between Whites and Blacks

Studies of high-school students have found "a persistent gap between the academic preparation and performance levels of black and white students," the report said.

A higher percentage of white than black students in the same high-school grades are enrolled in college-preparatory programs, the report said.

A recent survey found that 81 per cent of white high-school seniors had taken one year of algebra and 50 per cent had taken a second year. For black seniors, the pro-

Continued on Page 18, Column 1

Critics Plan Assault on Admissions Tests and Other Standard Exams

By LAWRENCE BIEMILLER

NEW YORK

Critics of the standardized-testing industry are organizing for what could become the most potent assault on testing practices since the passage of New York's "truth-in-testing" law in 1979.

This time, however, the critics say their targets will include both college admissions tests and a wide variety of other standardized examinations, ranging from those for civil servants and firefighters to those for beauticians, insurance agents, and golf pros.

As demands for increased testing in schools and colleges multiply, the critics' aims are to expand the full-disclosure provisions of the New York legislation to apply to other types of standardized examinations besides college admissions tests; to encourage the widespread use of a novel test-development process that critics hope will lessen the "cultural bias" of the tests; and to make the testing industry more accountable to those who take its examinations.

In practice, the New York law affects admissions tests nationwide, requiring test manufacturers to return to students their corrected answer sheets and copies of the test they took. The law also requires manufacturers to publish complete editions of the tests, on which students can practice taking them.

Reformers Hold Strategy Session

At a recent strategy session that attracted a number of leading advocates of test reform to New York City, discussion centered on the possibility of introducing one or more new testing bills in this year's session of the New York Legislature. The day-long conference was sponsored by the fledgling National Center for Fair and

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Philanthropy

Endowments Grew 25 Pct. in Fiscal 1985

BY PAUL DESRUISSEAUX

Washington

The value of college and university endowments increased 25.4 per cent in fiscal 1985, according to the preliminary findings of a national study.

The increase, which followed a 2.8-per-cent drop in the value of endowments in the preceding year, was the second highest in the past decade. In 1983, endowments gained a record 41.3 per cent.

The figures represent the "total return rates" for endowments, reflecting changes in the market value of investments as well as interest and dividends.

In a preliminary report of its annual study of endowment performance, the National Association of College and University Business Officers said the 1985 results were mostly "as expected."

The increase in endowment value, it added, was the product of the improved performances of stocks and bonds and the ability of college and university money managers to take advantage of the markets.

"The stock market was up 31 per cent during the year, and the bond market up 35.3 per cent and 41.7 per cent. And, long-term, high-grade bonds," noted Bruce M. Dresner, director of investments at Dartmouth College and coordinator of the annual NACUBO survey. "Any kind of cash investments—which, earned, let's say, 10 per cent, were obviously a lot less productive."

Equities Earned More

The NACUBO study found that endowment pools with larger shares of assets related to equities—primarily common stocks but also venture capital and foreign securities—earned more than others.

Endowments in the $25 million to $100 million range earned the most, an average of 26 per cent—slightly more than larger endowments, which earned 25.3 per cent, and smaller ones, 24.5 per cent.

For the average endowment pool, the 1985 increase far outpaced inflation, which the Consumer Price Index measured at 3.7 per cent and which the Higher Education Price Index set at 6.7 per cent.

Mr. Dresner said that while it was difficult to draw conclusions about the reasons for endowment performance based on a single year's experience, "My feeling is that colleges and universities have made great strides in improving the management of their endowment funds." Among other steps, he said, they have sought to diversify their assets into such areas as real estate, venture capital, and foreign securities.

Jack C. Blanton, vice-chancellor for administration at the University of Kentucky and chairman of NACUBO's Financial Management Committee, said higher education was also managing its cash flow more effectively than it had in the past.

"This has always been a concern of the private sector," he said, "but the public sector only recently has become aware of the importance of cash flow and its oversight."

The preliminary NACUBO report is based on information from 138 colleges and universities and 152 endowment pools worth $38.5 billion. The median endowment pool had assets of $41.6 million.

The complete report will not be available until spring. But in past years the final figures have varied little from the preliminary ones.

Mr. Dresner said the purpose of the preliminary report was "to give administrators a framework to help them evaluate how they've done" as soon as possible. "The final, detailed report gets at the reasons why," he said.

That report—with information on about 225 endowment pools representing about 90 per cent of all endowment funds in U.S. higher education—will rank participating institutions by the size of their endowments and will contain data on investment performance and endowment characteristics.

Total Return on Endowments, Fiscal 1985*

	Periods ending June 30, 1985			
	1 year	3 years	5 years	10 years
All investment pools	+ 25.4%	+ 19.9%	+ 14.2%	+ 11.2%
By size				
$100-million or more	+ 25.5%	+ 21.1%	+ 15.1%	+ 11.9%
$25-million to $100-million	+ 26.0%	+ 20.4%	+ 14.4%	+ 11.4%
Under $25-million	+ 24.5%	+ 18.3%	+ 13.1%	+ 10.3%
By equity-related assets				
65% or more in equity	+ 26.2%	+ 21.6%	+ 15.1%	+ 12.3%
50% to 65% in equity	+ 26.3%	+ 20.9%	+ 14.9%	+ 11.5%
Under 50% in equity	+ 23.8%	+ 17.8%	+ 12.8%	+ 10.2%
Comparative measurements				
Standard & Poor's 500 Index	+ 30.9%	+ 26.2%	+ 16.5%	+ 12.6%
Salomon Brothers Bond Index	+ 41.5%	+ 23.2%	+ 11.6%	+ 8.3%
Consumer Price Index	+ 3.7%	+ 3.5%	+ 5.4%	+ 7.2%
Higher Education Price Index†	+ 6.7%	+ 6.1%	+ 7.8%	+ 7.6%

* Total-return rates represent change in market value, plus dividends and interest, for periods ending June 30, 1985. Based on preliminary data for 152 investment pools of 138 colleges and universities.

† An index of changes in prices paid by colleges and universities for goods and services, developed by D. Kent Halstead, National Institute for Education.

SOURCE: NATIONAL ASSOCIATION OF COLLEGE AND UNIVERSITY BUSINESS OFFICERS

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